

**Amend Section 7211 of the Bradley-Burns Uniform Sales and Use Tax Law to clarify that the Board of Equalization shall continue to enforce the Bradley-Burns ordinance of any city or city and county that levies a tax administered by the Board under the Transactions and Use Tax Law.**

**Source: Legal Department**

### **Existing Law**

Under the existing Bradley-Burns Uniform Local Sales and Use Tax Law, Section 7203.5 provides that the Board shall not administer and shall terminate its contract to administer any sales or use tax ordinance of a city, county, or city and county, if that city, county, or city and county imposes a sales or use tax in addition to the sales and use taxes imposed under an ordinance conforming to specified provisions of the Bradley-Burns law. Section 7211 of the Bradley-Burns law, however, makes an exception to Section 7203.5's restriction, by authorizing the Board to continue to administer the sales and use tax ordinance of any county which adopts a transactions and use tax ordinance pursuant to a specified provision in the Government Code. The exception provided in Section 7211 was added to the law when counties were given authorization in 1985 to levy district taxes for general purposes.

Under the law, aside from the local tax levied under the Bradley-Burns law (which is uniformly imposed by all cities and counties within the state) the Transactions and Use Tax Law authorizes local agencies to impose transactions and use taxes – often referred to as “district” taxes. These “district” taxes are authorized by statutes in various codes, but the Board administers all such taxes pursuant to Part 1.6 of the Revenue and Taxation Code (sections 7251-7279.6).

When counties were given general authority to levy transactions and use taxes in 1985, the Legislature did not amend the Bradley-Burns Uniform Local Sales and Use Tax Law to make it clear that the Board may continue to administer district taxes that are imposed by counties through other provisions of law. In addition, when the Legislature began authorizing cities to levy their own district taxes, the Legislature did not amend the Bradley-Burns law to also clarify that the Board may continue to administer these city-imposed district taxes. Although the Board has interpreted Section 7211 as if it referred to cities as well as counties that levy a district tax outside the specific Government Code provision, by its own terms, Section 7211 does not extend to such district taxes. In reality, the safe harbor provided by Section 7211 applies only to one transit district tax which the Legislature authorized Sonoma County to levy (which was authorized under the specific Government Code provision referred to in Section 7211).

**This Proposal**

This proposal would amend Section 7211 of the Bradley-Burns Uniform Local Sales and Use Tax Law to clarify that the Board may continue to administer the sales and use tax ordinance of any city or county that imposes a district tax pursuant to the Transactions and Use Tax Law.

*Section 7211 of the Revenue and Taxation Code is amended to read:*

7211. Notwithstanding Section 7203.5, the State Board of Equalization shall continue to administer the sales and use tax ordinance of any city, county, or city and county which adopts a transactions and use tax ordinance ~~pursuant administered by the board in accordance with Part 1.6 (commencing with section 7251), to Article 13 (commencing with Section 29560) of Chapter 2 of Division 3 of Title 3 of the Government Code.~~